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MANUFACTURERS HANOVER

Financial Digest

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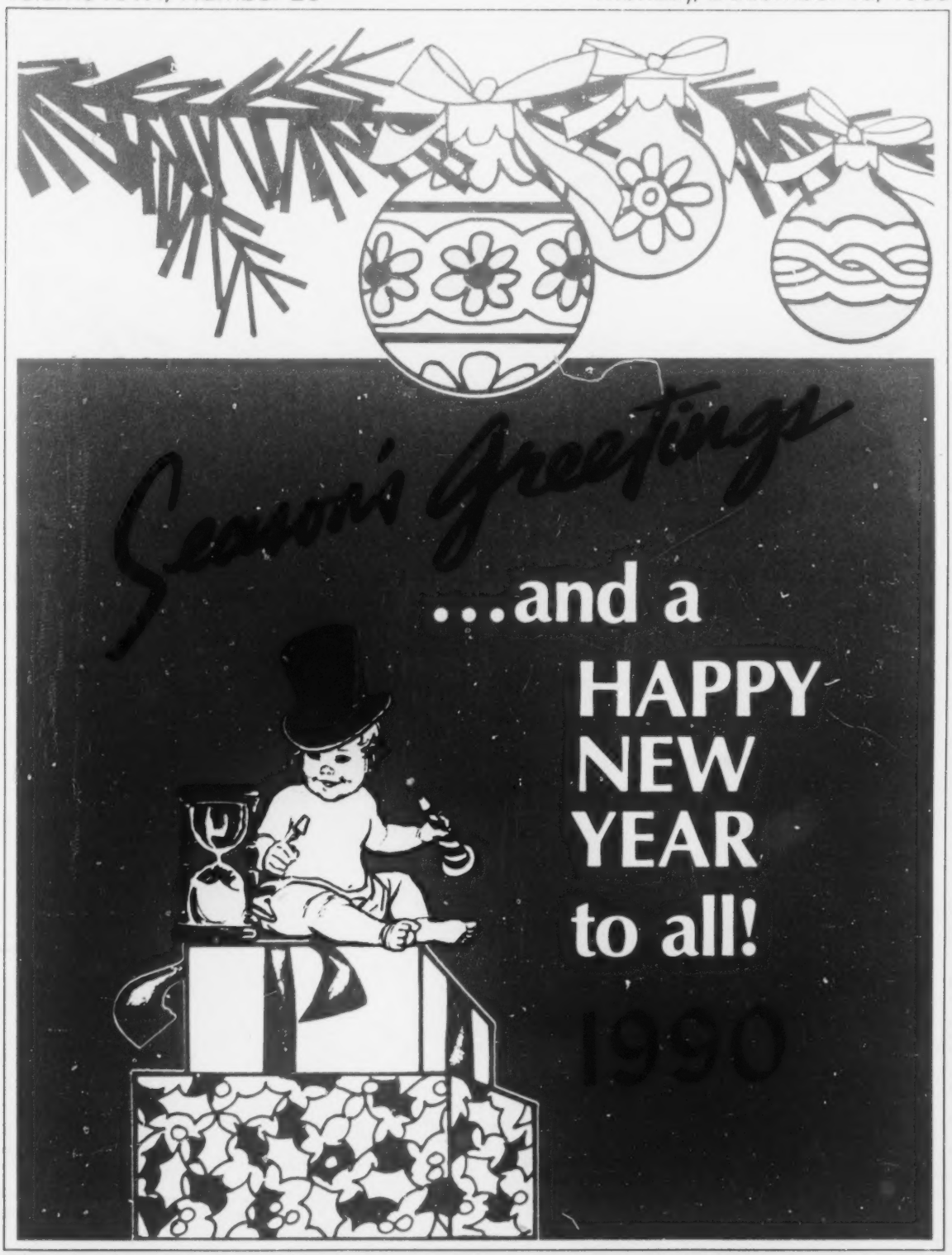
Analysis of Business Trends Plus Selected Financial Indicators



Manufacturers Hanover Economics Department 17/270

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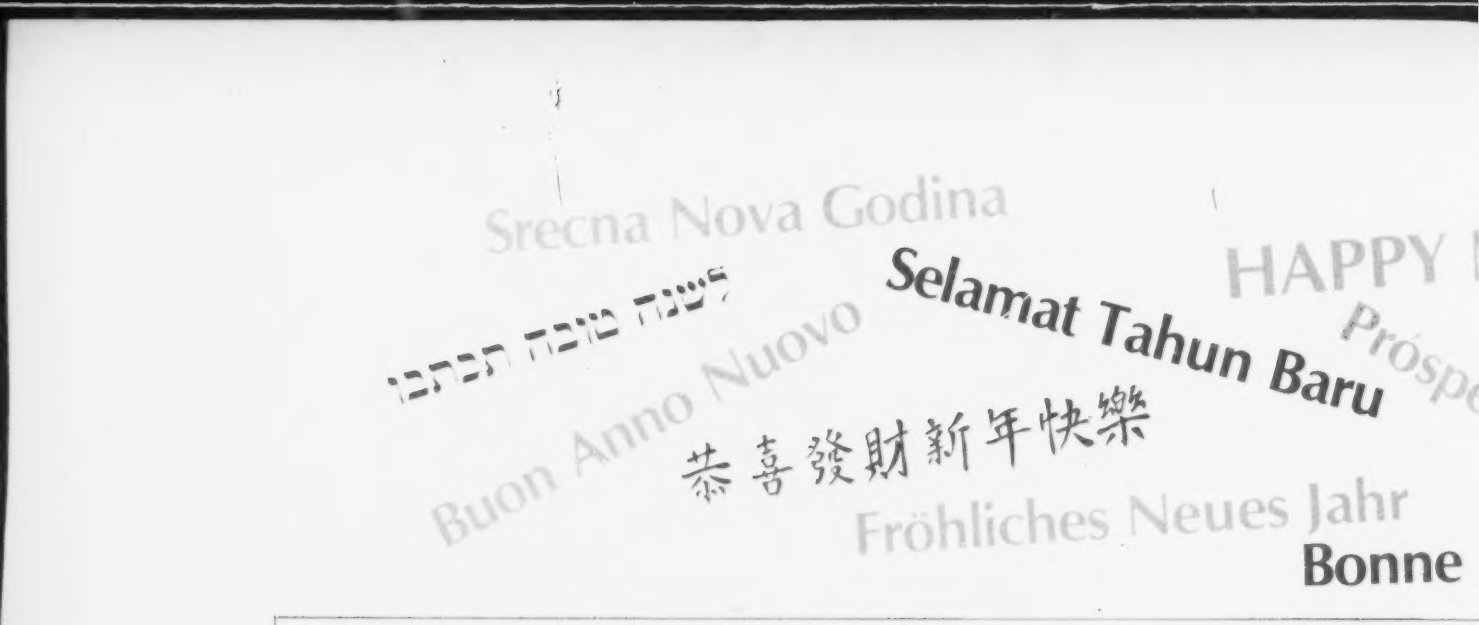


Short Term Paper Outstanding

(Millions of Dollars)

Time Deposits $100,000 or more Weekly Reporting Banks	Latest Week	Change Since Week Ago	Change Since Year Ago
Nationwide (11/29/89)	217,748	- 461	+ 23,284
New York City (12/6/89)	41,738	+ 162	- 119
Commercial Paper (12/6/89)	519,230	+ 2,961	+ 76,262

Bank Loans

(Millions of Dollars)

Commercial and Industrial Loans

Weekly Reporting Large Commercial Banks	Latest Week	Change Since Week Ago	Change Since Year Ago
Nationwide (11/29/89)	319,001	- 1,053	+ 17,756
New York City (12/6/89)	60,205	+ 164	+ 4,837

Total Loans and Leases Gross Adjust

	Latest Week	Change Since Week Ago	Change Since Year Ago
Nationwide (11/29/89)	992,536	+ 445	+ 80,793
New York City (12/6/89)	183,331	+ 669	+ 8,843

Financial Markets

	Friday 12/15/89	Change Since Week Ago	Change Since Year Ago
U.S. Governments, Closing Yields:			
90-Day Bills†	7.86%	+ .04	- .55
180-Day Bills†	7.76	+ .07	- .91
Longest Bills†	7.62	- .07	- 1.49
Recent Issues:			
7¼s 11/30/91	7.73	- .02	
8¼s 9/30/93	7.75	- .03	
7¾s 11/15/99	7.80	- .01	
8¼s 8/15/19	7.86	- .02	
Municipals:			
Bond Buyer—20 Bond Index* (12/14/89)	6.99%	- .01	- .67
Blue List Total ($ Million)	$1,579	+ $109	+ $216
30-Day Visible Supply ($ Million)	$1,755	- $365	+ $284
Total	$3,334	- $776	+ $500
Corporates:			
Moody's Aa Composite (12/14/89)	9.12	+ .02	- .71
30-Day Visible Supply ($ Million)	$1,150	- $612	- $620
Stocks:			
Dow-Jones Averages:			
Industrials	2,739.55	+ 8.11	+588.84
Transportation	1,170.70	- 38.76	+209.75
Utilities	235.98	+ 7.23	+ 51.47
65 Stocks	1,031.14	- 2.89	+212.38
N.Y.S.E. Composite Index	193.47	+ .55	+ 38.31
N.Y.S.E. Avg. Daily Vol. for Week (000's)	186,012	+ 34,464	+41,200

*34% Taxable equivalent 10.59%

† Bond equivalent.

International Rates

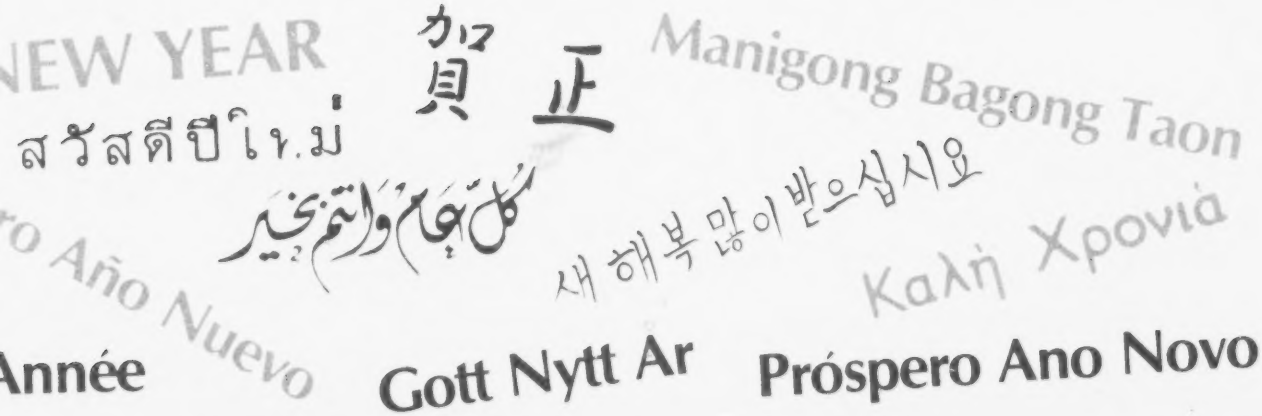
EURODOLLAR DEPOSIT RATES (bid)	Friday 12/15/89	Week Ago
Overnight	8.38%	8.38%
1 month	8.75	8.63
3 month	8.44	8.31
6 month	8.19	8.13
1 year	8.13	8.06

FOREIGN EXCHANGE SPOT RATES

New York Opening (12/15/89)	Currency Per U.S. $	Week Ago
Belgium	36.52	37.24
Canada	1.1607	1.1630
France	5.9375	6.0350
Germany	1.7265	1.7685
Italy	1292.50	1302.35
Japan	143.85	144.10
Mexico	2633.00	2626.00
Netherlands	1.9600	2.0000
South Korea	674.40	673.40
Switzerland	1.5510	1.5970
Taiwan	26.15	26.05
U.K.*	1.6050	1.5810

*U.S. $ per U.K. pound

MH TRADE-WEIGHTED DOLLAR (12/15/89) (Adjusted for Inflation)	Change Since Week Ago	Change Since 2/27/85
	-0.3%	-3.5%



Selected Federal Reserve Data

(Averages of Daily Figures—Billions of Dollars)

	Week Ending 12/13/89	$ Change Since Week Ago	$ Change Since Year Ago
Reserve Bank Credit			
U.S. Gov'ts and Agencies Owned Outright & RPs	230.047	+ .519	- 10.633
Loans to Depository Inst.	.132	- .039	- 1.880
Float	.851	+ .160	- .491
Total Reserve Bank Credit	267.743	+ 1.156	+ 5.386
Treasury Deposits with Federal Reserve Banks	4.475	- .687	- .332
Currency in Circulation	255.349	+ 1.508	+11.959
Gov'ts held for Foreign Acct. by F.R. Banks (End-of-Week)	233.712	- 2.245	- .801
Member Bank Reserves:	**12/13/89**		
Total Reserves Held	60.643	+ 1.008	- 1.563
Excess (Deficiency)	.666	- .339	- .310
Net Free Reserves	.536	- .051	+ .045

Monetary Aggregates †		‡ % Change Since 3 Months Ago*	% Change Since Year Ago
M1 (12/4/89)	789.7	+ 6.9	+ 0.3
M2 (12/4/89)	3,207.4	+ 8.1	+ 4.5
M3 (12/4/89)	4,056.6	+ 4.2	+ 3.7
Domestic Nonfinancial Debt (2nd Q'89)	9,427.7	+ 6.4	+ 8.5

† Seasonally adjusted.

* Seasonally adjusted annual rate.
‡ Four-week moving average.

New York Money Market

Offering Rates 12/15/89	**3 Months**	**6 Months**	**1 Year**
‡ U.S. Treasury Bills	7.59%	7.38%	7.11%
* Federal Agencies	8.10	8.05	7.90
* Municipal Notes–High Grade (34% Taxable Equivalent)	8.52	8.71	8.71
Negotiable Time CDs Manufacturers Hanover	Rates By Arrangement		
* Secondary Market–Prime	8.33	8.23	8.09

‡ Finance Company Paper–Prime

5- 14 days	8.48%
15- 29 days	8.63
30- 59 days	8.55
60- 89 days	8.20
90-179 days	7.90
180-239 days	7.50
240-270 days	7.50

‡* Bankers' Acceptances

Jan.	8.75%
Feb.	8.45
Mar.	8.27
Apr.	8.15
May	8.03
Jun.	7.90

‡ Industrial Paper–Prime

30- 89 days	8.55%
90-120 days	8.30

†Federal Funds Effective Rate 8.56%

‡ Discount basis. *Subject to availability. † Estimated.

Selected Business Indicators

(All Dollar Figures in Billions)

	Latest Period or End of Period		Previous Period	Year Ago Period
Gross National Product (Current Dollars)*	3rd Q'89	$ 5,279	$ 5,202	$ 4,927
Gross National Product (1982 Dollars)*	3rd Q'89	$ 4,160	$ 4,133	$ 4,043
Percent Change, Annual Rate	3rd Q'89	2.7	2.5	3.2
Change in Consumer Prices*	Oct '89	6.0%	2.4%	4.8%
Change in MH Cost of Living Index*	Oct '89	7.2%	6.0%	6.0%
Change in Producer Prices*	Nov '89n	- 1.2%	4.8%	3.6%
Civilian Employment (Thousands of Persons) †	Nov '89n	117,786	117,545	115,947
Unemployment as % of Civilian Labor Force †	Nov '89n	5.4%	5.3%	5.4%
Personal Income*	Oct '89	$ 4,510	$ 4,470	$ 4,180
Leading Indicators Composite Index (1967=100) †	Oct '89	144.8	145.2	144.0
Industrial Production Index (1977=100) †	Nov '89n	141.5	141.3r	139.9
Net Change in Consumer Installment Credit †	Oct '89n	$ 3.34	$ 1.37r	$ 2.58
U.S. Merchandise Trade Balance †	Nov '89n	- $ 10.20	- $ 8.51r	-$ 9.23
Plant and Equipment Expenditures*	4th Q'89	$483.04(a)	$ 481.24(a)	$442.11
Private Housing Starts (Thousands of Units)*	Oct '89	1,420	1,268	1,532
New Construction Expenditures*	Oct '89	$ 420.1	$ 415.9	$ 411.1
Total Business Inventories †	Oct '89n	$ 793.9	$ 790.6r	$ 743.0r
Total Business Sales †	Oct '89n	$ 519.2	$ 522.8r	$ 498.6r

*Seasonally adjusted annual rate. † Seasonally adjusted. n-Newly reported figure. r-Revised. a-Anticipated.